



Legislation Text

File #: 150788., **Version:** 1

Reduction of Purchased Gas Adjustment (PGA) (B)

This item is informational. Estimated presentation time 5 minutes.

The final fuel expenses and revenues have been posted for Fiscal Year 2015 as well as the first quarter of Fiscal Year 2016. The Purchased Gas fuel levelization balance as of December 31, 2015 was approximately \$1.6 million. The heating season is substantially complete and there have been no unanticipated spikes in fuel costs, as well as continued favorable pricing in the natural gas market. Given these conditions, the General Manager for Utilities has directed that the Purchased Gas Adjustment be reduced beginning in March 2016. The current Purchased Gas Adjustment is \$0.30 per kWh through February 2016 and will be lowered to \$0.23 per kWh in March 2016. Staff will continue to monitor the expenses and loads to determine if additional reductions will be appropriate at any time in the future.

None at this time.

Receive a brief presentation from staff to address the revisions to the fuel cost assumptions, the impact to the Purchased Gas Levelization and the resulting customer bill reductions.